

**The Escambia County School District
Audit Committee Meeting
Minutes, November 17, 2003**

- I. Mike Adkins, Chair, called the meeting of the Audit Committee to order at 5:30 p.m. in Conference Room B of the Vernon McDaniel Building, 215 West Garden Street, Pensacola, Florida 32502. Committee members in attendance were: Aleta Hudson, Betsy Bowers, Kathy Langley and Earl Lee. Others in attendance were: Board Chair, Linda Finkelstein; District staff members, Barbara Linker and Laura Shaud; one person from the public and Susan Reed, recording the minutes.
- II. After a requested change in order of agenda items and upon motion and second, the Committee adopted the agenda.
- III. There was no public input.
- IV. The October 24, 2003, meeting minutes were approved as submitted.
- V. Ms. Betsy Bowers went on record to state that she was a tax client of Mr. Scallan after school district hours. She stated she could be fair and impartial while performing her duties as an Audit Committee member.

Mr. Adkins reported that he had met with Mr. Scott Woody to discuss acting as interim director during the remainder of Mr. Scallan's absence with the department focusing on internal funds audits. He stated that Mr. Woody was willing to fill in as interim. Mr. Adkins explained the need to limit his work to that of internal funds audits to avoid any problems of independence since Mr. Woody was an employee of the Superintendent and the Director was a Board employee.

A motion was made by Earl Lee and seconded by Aleta Hudson to recommend Scott Woody to serve as Interim Director of Internal Auditing.

Mr. Adkins stated he would make the recommendation in writing to the Board Chair and advised those present that he would be happy to address the Board on this issue at a future Board meeting. Mr. Adkins and the Committee discussed the independence issue regarding Mr. Woody's position as interim director and answered questions presented by Ms. Finkelstein and District staff. To maintain independence, audit requests should be handled on a case by case bases through Mr. Adkins and/or the Committee to determine who should conduct them.

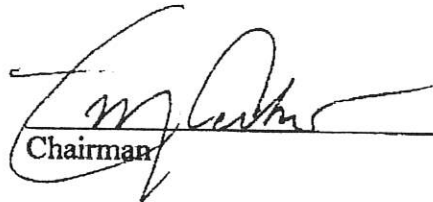
In response to a question from the public, Mr. Adkins recommended writing a letter to the Board outlining her concerns.

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- VI. The next meeting was scheduled for sometime in January, 2004, the specific date to be set later.

- VII. A motion to adjourn was made by Earl Lee and seconded by Kathy Langley. Mr. Adkins adjourned the meeting at 6:00 p.m.


Secretary


Chairman